DOCUMENT RESUME

ED 180 354 HE 012 090

TITLE Preparing for the 1980 Statewide Plan for the Development of Postsecondary Education. A Discussion Paper for Use at the 1979-80 Regents/Commissioner's Regional Conference.

INSTITUTION New York State Education Dept., Albany. Div. of Research.

PUB DATE 79

NOTE 17p.

AVAILABLE FROM Division of Research, The State Education Department, The University of the State of New York, Albany, NY 12234

EDRS PRICE MF01/PC01 Plus Postage.

DESCRIPTORS *Access to Education; Ancillary Services; College Faculty; Declining Enrollment; Demography; Economic Factors; Educational Quality; Facilities; Feasibility Studies; *Federal Aid; Federal State Relationship; Futures (of Society); *Higher Education; Institutional Research; Master Plans; Nontraditional Students; *Policy Formation; State Aid; State Programs; *Statewide Planning; *Student Financial Aid

IDENTIFIERS *New York

ABSTRACT

The 1980 Statewide Plan for the Development of Postsecondary Education in New York State is discussed. The primary purpose of the plan is to recommend statewide policies that will help provide high-quality postsecondary education to all who wish to pursue it and can benefit from the opportunity. Three factors that will have a profound effect on higher education and state-level policy in New York are discussed: the economic and fiscal condition of the state, the size and composition of the population, and federal policy in higher education. It is suggested that the relative decline in New York's economic condition has serious implications for higher education. A decline in undergraduate enrollments is projected that will require adaptations of faculty, curricula, and procedures. The growth in federal aid to postsecondary education is noted and implications of this policy are also examined. Policy areas that are presented for discussion include: state aid and appropriations; student aid and student services for the traditional, adult, and underprepared student; degree programs; faculty; facilities; and research. Policy alternatives in each area for 1980 are suggested. (SF)

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THE UNIVERSITY OF THE STATE OF NEW YORK
THE STATE EDUCATION DEPARTMENT
ALBANY, NEW YORK 12234
1979

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A Discussion Paper
For Use at the 1979-80 Regents/Commissioner's Regional Conference

PREPARING FOR THE 1980 STATEWIDE PLAN FOR THE DEVELOPMENT OF POSTSECONDARY EDUCATION

I. INTRODUCTION

A. The Statewide Planning Process

Since 1961 New York State law has provided for coordinated planning of the development of higher education within a framework that protects the traditional and legal rights, powers, and responsibilities of colleges and universities. Under the law the degree-granting institutions of the State each prepare a master plan every four years (the first was in 1964) and a progress report on the master plan in alternate even-numbered years. The Board of Regents, in turn, prepares a Statewide Plan, which must be approved by the Governor.

Each institutional master plan serves as a statement of the institution's mission, goals, and objectives. It is intended to guide the overall operation of the institution over the next four years. The master plan describes the direction of the institution, the academic programs it offers and plans to offer, and the clientele it serves and plans to serve. It establishes the purposes of an institution as those purposes are understood by all members of the institution's community. It includes information and projections required by the Regents and, in the case of the State University and City University master plans, certain information required by law. Each plan makes recommendations on the ways in which public policies that affect higher education should be shaped.

The master plans submitted by State University, City University, the State's independent colleges and universities, and degree-granting proprietary schools, and the consolidated plan of the independent sector prepared by the Commission on Independent Colleges and Universities are basic materials for the preparation of the Regents Statewide Plan for the Development of Postsecondary Education. Other sources for the Statewide Plan include data collected by the State Education Department, the Department's research and projection activities, and advice from educational groups, business, industry, and labor, and the general public. The Regents Statewide Plan makes recommendations, subject to the approval of the Governor, for State-level policy in higher education for the next four years.

Preparations for the 1980 Statewide Plan began in April 1979, with the distribution of the Bulletin to guide the preparation of institutional master plans. Institutions will submit their plans to the Education Department in the spring of 1980. The Regents Statewide Plan will be prepared over the summer, discussed in public hearings in early fall, and approved for submission to the Governor by November 1, 1980.

At the present moment, then, institutions are preparing their master plans, while the Regents and the State Education Department are seeking to frame the issues which should be addressed in the Plan and to consult with all affected groups about the alternative policies. The 1979-80 Regents/Commissioner's Regional Conferences will be a major forum for preliminary discussion of the 1980 Plan among the Regents, the State Education Department, the educational community, and the general public.

B. Planning for the 1980's

The goals that will guide the preparation of the 1980 Statewide Plan will not be significantly different from those which have guided the preparation of earlier Plans. The are, briefly summarized, to provide high-quality postsecondary education to all those who wish to pursue it and can benefit from the opportunity.

The conditions in which those goals will be pursued in the next decade will be radically different from those which prevailed in the first two decades of postsecondary planning in New York State. For this reason discussion of the 1980 Plan in the present paper will begin with an examination of the context of higher education in the 1980's. Specifically, the paper will briefly examine three different conditions which are likely to have a profound effect on higher education and State-level policy in New York in the next decade: the economic and fiscal condition of the State, the size and composition of the population, and Federal policy in higher education.

The primary purpose of the Plan is to recommend State-level policies which will promote the goals of higher education in the coming quadrennium. The policy areas in which recommendations will be made are defined by the planning statute (Section 237 of the Education Law), by the body of existing State programs in postsecondary education, by the needs of the times and the imagination of policymakers. Staff of the State Education Department met last spring with planning staff from City University, State University, and the independent sector to discuss which policy areas would be examined closely in preparation for the 1980 Plan. Over the late spring and summer, Department staff, assisted by the criticism of readers from the three sectors of higher education in the State, prepared preliminary discussion papers in nine policy areas. These are available to participants in the Regional Conferences and other interested parties, upon request. The present conference paper briefly introduces some of the major policy areas and lists alternative policies in each. The policy areas discussed are:

-- institutional support: State aid and appropriations;
-- student aid and student services;
  - the traditional student;
  - the adult student;
  - the underprepared student;
-- programs;
-- faculty;
-- facilities;
-- research.

C. The Role of the Regional Conferences

The Regents/Commissioner's Regional Conferences will provide the major opportunity for the general educational community and the public to participate in the early stages of preparation of the 1980 Plan. The general purpose of this conference paper is to organize that participation so that it will have the greatest impact. The paper and the discussions based on the paper have three specific purposes:

1) To spread knowledge of the postsecondary planning process in New York State and to encourage wider participation in it;

2) To organize public discussion of the policy areas in which the 1980 Plan should make recommendations and of the policy alternatives or potential recommendations in those areas;

3) To encourage all participants in the planning process to view the Plan as a whole and, accordingly, to choose among or rank by priority the large number of desirable State

higher education policies, which cannot all be pursued at once in the conditions of the 1980's.

II. THE GOALS OF HIGHER EDUCATION

In their 1972 Statewide Plan, the Regents established five broad goals to guide the development of postsecondary education. These were reaffirmed in the 1976 Plan. They are:

Freedom of Access. The opportunity to pursue postsecondary education without discrimination on the grounds of age, race, sex, creed, national origin, geographic location, or economic status is central.

Freedom of Choice. A variety of postsecondary institutions will permit students to select institutions and programs that can meet their particular needs and abilities.

Quality Education. Provision for academic freedom and academic responsibility, and for the maintenance and monitoring of appropriate standards of quality education, must be maintained.

Responsiveness to Societal Needs. The State can attain the development of a postsecondary education system that is flexible enough to meet changing needs of the population.

Efficient Use of Resources. The optimal allocation of human, physical, and financial resources can be achieved through efficient planning and good institutional management.

These goals need to be reassessed in the preparation of the 1980 Plan.

III. THE CONTEXT

A. The State Economic and Fiscal Context

New York's current economic condition is one of relative decline. The State's share of national population, personal income, and employment are decreasing. (See Table I.) In 1963, New Yorkers made up 9.3 percent of the United States population; by 1978 the State's proportion of the national population is estimated to have fallen to 8.2 percent. The State's proportion of personal income fell even more rapidly, from 11.5 percent in 1963 to 8.7 percent in 1978. This means that, whereas the average New Yorker in 1963 enjoyed nearly one-quarter more income than the national mean, by 1978 the New Yorker's advantage with respect to income had virtually disappeared. Moreover, while the New Yorker's personal income was declining toward the national mean, the share of that income which had to be allocated to State and local taxes was increasing much more rapidly than for the average American. In 1977 New Yorkers paid 38 percent more per $1,000 of personal income for State and local taxes than the national mean; in 1962 New Yorkers paid only 13 percent more than the national mean. Finally, New York's share of total employment in the United States has decreased from 11.0 percent in 1963 (1.7 percent more than its share of population) to 7.7 percent in 1978 (0.5 percent less than its share of population).

The relative decline in New York's economic condition has, of course, had profound effects on the State's fiscal condition. This was most dramaticaly demonstrated in New York City's fiscal crisis of 1975 and the loss of investor confidence in moral obligation bonds issued by State public authorities. Restoring the State's economic health and fiscal stability are preeminent and related goals for all New Yorkers today.

The State's economic and fiscal situation has serious implications for higher education. It is argued that any short-term increase in State funding of higher education could hinder

achievement of the long-term objective of fiscal stability for the State. Some even claim that unless significant cuts in public spending are made in the short run, little or no improvement in the long-term fiscal and economic prospects of the State can be expected.

For the fiscal year 1979-80 State appropriations for nigher education are nearly $1.6 billion, or approximately 30 percent of all current fund expenditures for higher education in the State from all revenue sources. Local government units contribute additional funds for support of community colleges and City University. (See Table II.)

B. The Demographic Context

Full-time undergraduate enrollment in New York State is projected to decline from the 1978 level by 20-35 percent by 1994. (See Figure I.) This projection is based on known declines in elementary and secondary enrollment by grade, population projections by age group, recent increases in emigration from the State, and small declines expected in participation and retention rates.

Graduate and part-time undergraduate enrollments generally are expected to be stable until 1985, then to decline significantly. By 1994 part-time graduate enrollment is projected to decline by 5 percent and full-time graduate enrollment by 16 percent.

In order to avoid precipitous enrollment declines, colleges may try to attract more students from relatively underserved population groups. But it will be virtually impossible to offset fully the projected declines. If the difference were to be made up from recent high school graduates alone, the ratio of full-time college freshmen from New York enrolled in-State to New York high school graduates would have to increase from 57 percent in 1975 to nearly 90 percent in 1990. Nor is the difference likely to be made up through increased adult participation. Most adult students are part-time students. In order to offset the projected decline of 168,000 full-time equivalent students by 1992, it would be necessary to attract over one-half million additional part-time students; to do that the participation rate of part-time undergraduates would have to more than double.

In addition to declining numbers of students, almost all institutions are also expected to experience shifts in the characteristics of their students which will require adaptations of faculty, curricula, and procedures. Demographic changes, social and economic trends, and shifts related to competition among colleges will lead to a smaller proportion of traditional students and a larger proportion of low-income, minority, older, female, and part-time students. Many of the nontraditional students will be less well prepared academically than the traditional student and will have different motivations.

C. Federal Support for Higher Education

Federal aid to postsecondary education has grown significantly in the past two decades. Most of this aid goes to student financial assistance programs. Increased Federal aid has been accompanied by more prescriptive Federal regulations and statutory requirements, which have had a significant impact on State and institutional educational policy and practices.

Federal postsecondary programs include those for community service and continuing education, college libraries, disadvantaged students, teacher education, instructional equipment and facilities, graduate education, state postsecondary planning, certain aspects of health manpower, and student financial aid. Except for student aid programs, the annual appropriations for specific programs are well below the authorization levels in statute. In some cases, the programs have not been funded at all. For the nation, the programs carry authorizations of $5.2 billion; the 1979 fiscal year appropriations are $3.7 billion, or 71.5 percent of the authorizations.

Student financial aid programs account for the largest share of appropriations, $3.4 billion. Of the total appropriations, $99 million, or 2.7 percent, are administered by state agencies.

IV. POLICY AREAS

Neither the policy areas discussed in this paper nor the policy alternatives discussed for each area are meant to be exhaustive of the areas that may be treated in the 1980 Plan or the specific recommendations which the Plan will make. Policy areas and alternatives listed in this paper are presented to organize and provoke discussion, but not to confine it.

A. Institutional Support: State Aid and Appropriations

The major impact of the State on higher education in New York comes through State financial support for postsecondary institutions, either in the form of direct appropriations to the budgets of public institutions or in one of several formula-based aid programs for independent institutions. (See Table II).

For 1979-80 the State has appropriated $818.4 million to support the 34 State-operated units of the State University of New York, and $107.4 million to assist the 30 State University-administered community colleges. At the same time the State appropriated $177.3 million for the Graduate Center and 9 senior colleges at The City University of New York and $63.6 million to aid 8 City University-administered community colleges. State support for the City University is based on a formula by which the State supports 75 percent of senior-college operating expenses (net of tuition) and 50 percent of senior-college capital expenses. As a result of legislation passed in the 1979 session, State support for CUNY's senior-college operating and capital expenses will increase by stages to 100 percent in 1982-83. Appropriations for the public universities make up almost 75 percent of all State support for higher education in 1979-80.

The principal form of State aid to New York's 137 independent colleges and universities is the so-called Bundy Aid. Under this program the State provides a sum to eligible independent institutions for each degree they confer. For 1979-80, under one schedule of Bundy awards, the State has appropriated $68.0 million. But the Legislature also adopted in 1979 a new schedule for Bundy Aid to take effect in the academic year 1980-81.

Bundy Program Funding Formula

Degree	Current Formula	Formula in 1980-81
Associate	$ 330	$ 450
Baccalaureate	940	1,200
Master's	650	900
Doctorate	3,100	4,500

The State also provides capitation aid to independent medical and dental schools. The amount appropriated for these purposes is $13.6 million in 1979-80.

The principal programs of aid for independent institutions make up almost 5 percent of State support for higher education in 1979-80.

The general policy alternatives for State support of postsecondary institutions involve adjustments in the current pattern of appropriations or aid. A few possibilities reflecting different constraints and objectives are:

-- across-the-board increases or decreases in appropriations for the public universities;

-- increasing or decreasing the number of campus units in the public universities;

-- increases or decreases in the student contribution (tuition) to the budgets of public universities (full-time undergraduate tuition for New York State residents at State University and City University four-year colleges is now set at $925 per year);

-- State assumption of a fixed percentage of community college budgets (as an alternative to the present, enrollment-based formula for State aid to community colleges);

-- a system of marginal increases or decreases in State aid to community colleges which experience small fluctuations in enrollment;

-- an increase, decrease, or change in the relative formula for Bundy Aid;

-- a reduction in State appropriations for public institutions or reduction or elimination of Bundy aid, or both, linked to a proportionate increase in student aid (in other words, a shift from institutional support to student support).

Other special-purpose policies that would address some or all of the conditions anticipated in the 1980's can be imagined:

-- a system linking State appropriations for public institutions or Bundy aid or both with various strategies of contraction or of efficiency (mergers, consortia);

-- special grants to institutions in financial distress, either to assist them to survive or to assist them to close in an orderly manner;

-- State takeover of financially weak independent colleges;

-- institutional transition grants to help institutions adapt to new circumstances, revamp their curricula, retrain faculty, etc.

B. Student Aid and Student Services

1. The Traditional Student. New York State's major contribution to student support is the Tuition Assistance Program, for which $253.6 million have been appropriated for 1979-80. Only New York residents who are full-time, matriculated students at institutions in New York are eligible. Awards are related to family income and tuition level. Currently, students from families with a net taxable income up to $20,000 are eligible. The maximum award is full tuition or $1,800, whichever is smaller, for undergraduates, and tuition or $600, whichever is smaller, for graduate students. Policy alternatives include:

-- increasing or decreasing the maximum level of awards or of income eligibility, or adjusting the scale of awards;

-- developing State student loan programs as supplements or substitutes for direct student aid;

-- agreements with other states to develop "portability" of State student financial assistance, to enhance student choice;

-- coordination of State and Federal student assistance programs to reduce the costs of administration for the State and to simplify application procedures for the student.

2. The Adult Student. In 1977 there were over 322,000 people aged 25 or above studying full- or part-time as undergraduates, graduate, or first-professional students in New York. They made up 34.4 percent of all postsecondary students in the State.

During the 1980's adults will be the largest source of potential students for postsecondary education. Some of these adults will pursue their education, using their own funds or with support from their employers. Others will be interested in such study but will not participate unless special assistance is provided. There are individual and social benefits from increasing educational participation by adults. Institutions will have the faculty and the facilities to serve these students; for some, increasing adult enrollment may be their only hope of survival. Department projections show a decline of adult enrollment in the 1980's, although at a slower rate than for traditional students. Since the potential adult student population is large, the key issues are -- should the State actively seek to increase adult participation and, if so, through what policies and programs?

A major consideration in deciding these issues is the attitude of the State and postsecondary institutions toward adult students. If adults are viewed primarily as replacements for traditional students, only limited funds and services are likely to be provided to cushion the impact of declining enrollment. Minimal changes in institutional policies and practices will occur, and the number of adults responding is likely to be low. If adults are viewed as people with needs for learning opportunities that often differ from those of traditional students and with legitimate claims for public support to help meet those needs, then the State and the institutions will need to carefully review adult needs, institutional missions and resources, and public priorities in order to determine how best to match what adults need with what institutions can provide and the public can support.

Policy alternatives include:

-- increased State funding for information, counseling, and outreach to encourage adult participation;

-- extension of the Tuition Assistance Program to part-time students (the cost of extending TAP to undergraduates studying half-time or more is estimated to be $40 million when fully implemented).

-- State subsidies to institutions to provide increased services to adults, including retraining and continuing education programs, counseling, or financial aid specifically directed toward adult students.

3. The Underprepared Student. Postsecondary education in the United States has been characterized by ever-increasing democratization. In the last two decades, a combination of social forces including the "baby boom," increased national affluence, the rise of large financial aid entitlement programs, and the civil rights movement accelerated the democratization process, bringing into colleges and universities large numbers of "nontraditional" students, including many who were "underprepared" -- that is, more or less unready to perform adequately at a college level. This is reflected in the decline, since 1963, in SAT and other academic ability indicator scores.

Demographic projections for New York show a shrinking pool of traditionally college-aged students, while the percent of that pool which is nonwhite, low income, or academically underprepared increases markedly. Under these circumstances the nature of the postsecondary enterprise will undergo radical changes, dominated by a downward shift in the level of study at which the institution and student first interact, and the large scale adoption of what is now known as "remediation."

New York State's "opportunity programs" provide special assistance, including tutoring and counseling services as well as financial assistance, to the academically and economically disadvantaged. In the academic year 1979-80 the appropriations and authorized student levels are as follows:

Opportunity Programs, 1979-80

Program	Sector and Level	State Appropriations	No. of Students
SEEK	CUNY Senior Colleges	$ 8.3 million	10,500
College Discovery	CUNY Community Colleges	.6 million	4,300
EOP	SUNY Senior Colleges	6.2 million	7,400
EOP	SUNY Community Colleges	.8 million	3,000
HEOP	Independent Colleges	8.5 million	5,561
TOTALS		$24.4 million	31,261

Several different and sometimes conflicting objectives must be reconciled in an effective program of support for underprepared students. A primary objective is continued access to postsecondary education for communities which are just beginning to become accustomed to college. Second, access for the underprepared is no assurance of even a chance to succeed unless it is accompanied by effective programs to remediate academic skills deficiencies. Third, the admission of large numbers of underprepared students exerts pressure to devalue the currencies of higher education -- course credit, grades, and diplomas. The maintenance of quality standards is a third objective to be considered in programs for underprepared students.

Policy alternatives include:

-- Creation or reinforcement of "bridging institutions," such as the Educational Opportunity Centers or BOCES, for underprepared students past school-leaving age. The strengthening of such institutions would help to preserve the colleges' clear identity, but colleges may not want to forego tuition income from underprepared students. For the academic year 1979-80 the State has appropriated $12.6 million to support eight Educational Opportunity Centers serving 15,000 students.

-- The imposition of statewide college exit criteria as a means of protecting quality. All graduates at the associate or baccalaureate levels might be required to demonstrate minimum proficiences in certain areas. City University has such an examination for admission to the upper-division level. However, implementation, in the independent sector particularly, would raise questions about institutional autonomy and State power.

-- State financing of college students in remedial education. Currently the State's TAP program requires that students be engaged primarily in credit-bearing work. Students in need of intensive remediation are therefore excluded. A financial aid program for remedial students would provide colleges the resources to serve this increasing population more effectively. The estimated cost is $15-20 million currently and rising as the number of underprepared students increases.

-- Increased support for the opportunity programs. To double these programs would cost $25 million more in 1980-81.

C. Programs

All degree programs in New York State must be registered by the State Education Department as meeting the quality standards in the Regulations of the Commissioner of Education. Major changes in an institution's mission -- for example, the first program offering in a major field of study not previously offered at the institution, the first program at a new degree level, or the opening of a branch campus -- as master plan amendments require approval by the Regents and, in the case of public universities, by the Governor.

In recent years student interest and new program proposals at the undergraduate level have been especially marked in the fields of business and management, the health professions, computer and information sciences, communications, and public affairs and services. Student interest appears to be declining in the fields of education, mathematics, English and literature, and history. In other fields student interest appears to be stable. This pattern of student interest and program trends is compatible with Federal and State labor department projections of employment prospects.

A trend which may become more pronounced with the development of institutional interest in nontraditional students is the trend toward programs (and off-campus centers) with limited objectives designed for specific groups.

A major factor in the development of new programs in the 1980's will certainly be the concern on the part of institutions to maintain enrollment, to attract students from a diminishing pool, and to remain financially stable. But new programs, which may appear to be the answer for struggling institutions, could be self-defeating for the postsecondary system in New York as a whole if the new programs are in fields already adequately served by other institutions. State policies to address the problem of program duplication in a period of enrollment decline and fiscal constraint include:

-- A greater degree of State coordination and control over program offerings, so that the evaluation of the need for a program would be as important as the evaluation of its quality in the decision to register or not to register it.

-- The use of State aid or appropriations to institutions to encourage or discourage programs in relation to the need for those programs (Bundy aid, for example, could vary in amount according to the field, as well as the level, of a degree and the need for programs in that field).

-- State sponsorship of voluntary arrangements among institutions to respect one another's enrollment shares and programmatic profiles (for example, regional planning consortia or statewide agreements among the sectors).

D. Faculty

In the fall of 1977, approximately 75,000 faculty were teaching nearly one million students in New York's degree-granting institutions. The number of students will decline in the next decade and student characteristics and interests will change, but the number and characteristics of faculty will not be as easily adjusted. A high proportion of faculty was hired in the 1960's and early 1970's, when enrollment was increasing rapidly. Now tenured and advancing up the salary scale, they represent a large, relatively fixed, and increasing cost for institutions. In 1977, 65 percent of full-time faculty at the State University of New York were tenured, compared to 45 percent in 1970. In the independent sector in New York the tenure ratio for full-time faculty rose from 41 percent to 54 percent in the same period. Their education, experience, and interests incline many faculty towards teaching the liberal arts and sciences to traditional young-adult students of middle-class background, at a time when the curriculum and student body are both changing.

Many of the problems inherent in this situation are obvious: the financial burden and programmatic inflexibility for institutions, low morale for faculty and students. Other major problems result from the overall stability of faculty. Without the opportunity or occasion to recruit new members, faculties and disciplines are deprived of a means of intellectual renewal. The achievement of affirmative action goals for postsecondary faculty is further postponed (in 1975, only 24 percent of full-time faculty in New York State, outside New York City, were women, and only 7 percent were nonwhite).

The scope of public policy is limited in the area of faculty. The primary responsibility rests with the institutions. The State might assist institutions in several ways:

-- The establishment of and support for teaching centers and faculty renewal programs. The State's role in this effort could be limited to a planning role, especially if such programs or centers were established by postsecondary consortia.

-- Retraining faculty, as for teaching basic skills and remedial courses. This could be implemented within the context of the opportunity programs.

-- A system of retirement incentives, including semi-retirement, mid-career transition insurance, time-off credits paid into a State fund in place of sabbaticals, and exchanges between college faculty, on the one hand, and business and industry, on the other. Again, the State's role would be principally one of planning and organizing. The Federal government, foundations, and faculty unions might support the costs.

-- Some sort of planning for the use of part-time faculty may also be appropriate. The problem is to reconcile institutional needs for the flexibility provided by part-time faculty with the greater assurance of quality and of full services for students provided by full-time faculty. Forty-five percent of collegiate faculty in the State were part-time in 1977.

E. Facilities

Almost two-thirds of the 180 million gross square feet of space at institutions of higher education in New York were built in the last 20 years, a period when enrollment increased about threefold. This was a period of rapid development and expansion of the State University. Much construction was also done at independent institutions, especially with the assistance of Federal grant and loan programs. A much smaller amount took place on the City University's campuses, with the result that a wide divergence presently exists among the sectors in ratios of net

assignable square feet per full-time equivalent student (NASF/FTES). Excluding residential and other income producing space, these range from an average of 148 for the independent institutions to 62 NASF/FTES for the City University.

Most of this new construction bears debt service on long term borrowing up to 30 years. The amount of debt outstanding is substantial, presently in the neighborhood of $3.2 billion. Over 70 percent of this amount, or $2.3 billion, is for construction in the public sector ($1.7 billion at SUNY and $0.6 billion at CUNY). Ultimately, State or local government appropriations pay for the part of debt service and operating expenses at the public universities left over after tuition and other revenues are deducted.

In addition to debt service, the annual maintenance and operating expenditures for all facilities is about $500 million, or 13 percent of total educational and general expenditures. Energy costs alone are estimated to be half of this amount. About 15 percent of all space is considered by the institutions to be unsatisfactory and in need of renovation or rehabilitation. Deferred maintenance is clearly a factor.

Higher education in New York, viewed as a single system, is overbuilt for the declining enrollment anticipated in the next decade. However, serious imbalances in space exist now, both among the sectors and betweeen developing institutions and mature institutions. While such imbalances will increase in the future, overall, each year there will be an increasing amount of surplus space which will be underused or not used at all for instructional programs. Since enrollments will not decrease uniformly at all campuses, the amount of excess space will vary markedly among institutions.

A campus is an entity unto itself. It is difficult to retrench facilities so long as any instructional program exists. In scaled down operations, some part of every building normally is used. Even if some buildings could be closed completely, the remaining debt service costs would still continue, as would certain maintenance and energy costs required to prevent costly damage to the buildings. Total closure of a campus is the most efficient way to retrench on space; at the same time, such a decision is the most difficult for the community served by the campus to accept.

Policy alternatives for the State include:

-- A policy of State support for new construction only where it can be justified 1) to complete developing campuses which are themselves justified by projected enrollment; 2) to replace facilities that are so costly to use or maintain that the replacement can be said to be self-supporting; 3) to replace rented facilities where the rented space is ill-suited to instructional purposes or more costly in the long run; 4) to accommodate new equipment or technology required in research and instruction.

-- A policy of encouraging shared facilities, either between two or more postsecondary institutions or between colleges and other users (multi-use facilities).

-- A policy of encouraging the use of "found" or rehabilitated space, for example, in public schools that are no longer in use.

-- A policy of helping institutions to close or dispose of facilities or of whole campuses which are no longer needed.

F. Research

Research, together with teaching and public service, compose the traditional trilogy of university activities. Planning and support for university research has not been a major area of State activity in the past. Rather, the academic disciplines and the Federal government have played the major roles.

The State does, however, take a major interest in the economy. University research impinges on New York's economy insofar as it attracts Federal or private support for research and development activities and as those activities, in turn, generate new industry in the State.

Federal research and development expenditures in New York declined between 1965 and 1976. New York is the only major state to have experienced such a decline.

Nationwide, colleges and universities account for only 10 percent of total research and development expenditures and 17 percent of Federal R & D funds. But the colleges and universities conduct a high proportion of the nation's research, both basic and applied, while industrial firms and private agencies concentrate on development.

New York's colleges and universities accounted for 10.4 percent of the nation's college and university research expenditures in 1974-75 and 9.5 percent in 1976-77. Medical schools accounted for 46 percent of total research expenditures by New York's colleges and universities in 1977-78, while other specialized institutions (agriculture, veterinary medicine, dental, and education schools) accounted for another 8.3 percent.

Policy alternatives to promote university research that will contribute to New York's economic development include:

-- regional consortia linking universities with business and industry to share equipment and expertise;

-- State assistance for the development of research parks;

-- a system linking State aid or appropriations to institutions to the successful quest for Federal research funds as a means of encouraging the development of large research concentrations;

-- direct State support for research.

V. THE TASK FOR CONFERENCE PARTICIPANTS

The purpose of this paper is not to launch the outline of the 1980 Plan, nor to float trial balloons, but to spread an understanding of the planning task which lies ahead in the coming year for the higher education community of New York and to start the public discussion of the difficult issues that must be faced in the 1980 Plan. The policy alternatives presented in this paper are not the only ones to be considered in preparing recommendations for the 1980 Plan. Indeed, a major purpose of this paper is to stimulate discussion of the problems facing higher education and to elicit other proposals for State-level policy to deal with these problems. Even the topics examined in this paper are not exhaustive of the areas that may be treated in the Plan.

What we may feel fairly confident of at this moment is the context in which higher education will be operating in the early 1980's. It will be a context of declining enrollment and of limited resources. Choices will have to be made. The choices will be better made if they are guided by an overall plan relating the goals of higher education to the available resources.

TABLE I

NEW YORK STATE AND THE NATION: SELECTED COMPARISONS FOR 1963 THROUGH 1978

	New York as a Percent of The United States				
	1963	1975	1976	1977	1978
Population	9.3	8.5	8.4	8.3	8.2[ac]
Personal Income	11.5	9.6	9.5	8.9	8.7[c]
Employment	11.0	8.9	8.6	7.9	7.7
Per Capita Personal Income Minus Transfers	123.7	108.8	105.9	104.9	103.3[a]
State and Local Government Taxes per $1000 of Personal Income	113.1[b]	135.6	138.9	138.0	
Property Taxes per $1000 of personal income	109.4[b]	134.0	138.1	138.7	

[a]Second quarter estimates

[b]1962 data

[c]our estimates based on 1976-1977 population growth rates

Table Prepared by the Maxwell School of Citizenship and Public Affairs, Syracuse University

Table II. State Appropriations for Postsecondary Education
State Fiscal Years for 1975-76 through 1978-79
(in millions)

	1975-76		1976-77		1977-78		1978-79		1979-80		Change 1975-6 to 1979-80	
	amount	percent	amount	percent	amount	percent	amount	percent	amount	percent	amount	percent
State University of New York[1,2]	$ 667.4	54.3	$ 636.7	50.0	$ 688.3	50.6	$ 787.8	51.7	$ 818.4	51.3	$ 151.0	22.6
City University of New York[2]	140.4	11.4	130.8	10.3	129.8	9.6	166.9	10.9	177.3	11.1	36.9	26.3
Community College[3]	148.0	12.0	156.0	12.2	157.0	11.5	164.2	10.8	171.0	10.7	23.0	15.5
Aid to Independent Institutions												
Bundy Aid	57.4	4.7	62.7	4.9	66.6	4.9	68.0	4.5	68.0	4.3	10.6	18.5
Health Professions	19.0	1.5	16.1	1.3	14.1	1.0	16.6	1.1	13.8	0.9	(5.2)	(27.4)
Special Grants[4]	.8	0.1	o	-	2.6	0.2	1.8	0.1	2.5	0.1	1.7	212.5
Student Aid												
TAP	103.5	8.4	184.2	14.5	214.6	15.8	238.2	15.6	253.6	15.9	150.1	145.0
All other	29.5	2.4	25.7	11.9	23.9	1.8	21.5	1.4	31.1	2.0	1.6	5.4
Programs for the Disadvantaged	44.2	3.6	39.0	3.1	36.4	2.7	36.9	2.4	38.1	2.4	(6.1)	(13.8)
Other NYSED	7.9	0.6	8.0	0.6	9.9	0.7	10.0	0.7	9.5	0.6	1.6	20.3
Other SUNY	2.2	0.2	2.1	0.2	3.4	0.2	2.9	0.2	3.6	0.2	1.4	63.6
Other State Agencies	9.4	0.8	12.8	1.0	13.7	1.0	9.6	0.6	7.6	0.5	(1.8)	(19.2)
TOTAL APPROPRIATION	$1,229.7	100.0	$1,274.1	100.0	$1,360.3	100.0	$1,524.4	100.0	$1,594.5	100.0	364.8	29.7
State Revenues	$9,974.0		$10,611.0		$11,302.0		$11,974.0					
Total Higher Education Current Fund Expenditure (from all sources)	$4,043.0		$4,216.0		$4,372.0(est.)		$4.520.0(est,)					
Total Approp. % of State Rev	12.3%		12.0%		12.0%		12.7%					
Total Approp. % of Total Exp.	30.4%		30.2%		31.1%		33.7%					

[1] Regular Operations Adjusted

[2] Excludes Community Colleges

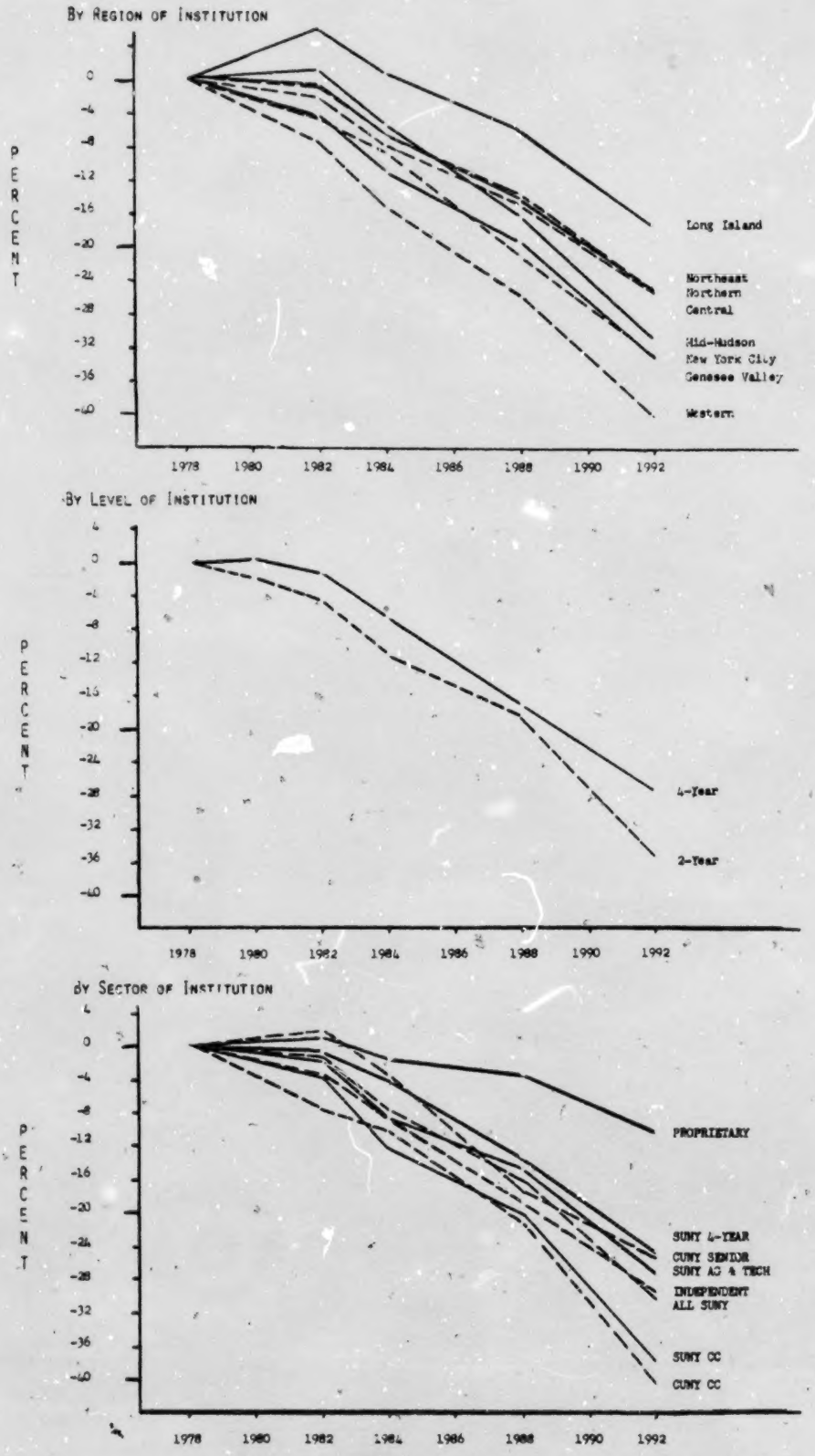
[3] Includes both SUNY and CUNY Community Colleges

[4] Einstein-Schweitzer Chairs, Education of Native Americans, Vermont/Sackler Medical Contracts, Regional College Cooperative Service Boards

SOURCE: NYSED, Postsecondary Education Systems (7/25/79)

FIGURE I

PERCENTAGE CHANGE PROJECTED
FOR NEW YORK STATE FULL-TIME
UNDERGRADUATE ENROLLMENT[1]



[1]PRELIMINARY PROJECTIONS BASED ON ONE POSSIBLE SET OF ASSUMPTIONS.

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SOURCE: NYSED: POSTSECONDARY INFORMATION SYSTEMS (GLR 25/MAY/79)